

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 158
97TH GENERAL ASSEMBLY

0863H.03C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 99.805, 99.835, 99.845, 99.865, 184.800, 184.805, 184.810, 184.815, 184.820, 184.827, 184.830, 184.835, 184.840, 184.845, 184.850, and 184.865, RSMo, and to enact in lieu thereof seventeen new sections relating to disaster areas, with an emergency clause.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 99.805, 99.835, 99.845, 99.865, 184.800, 184.805, 184.810, 184.815, 184.820, 184.827, 184.830, 184.835, 184.840, 184.845, 184.850, and 184.865, RSMo, are repealed and seventeen new sections enacted in lieu thereof, to be known as sections 99.805, 99.835, 99.845, 99.865, 184.800, 184.805, 184.810, 184.815, 184.820, 184.827, 184.830, 184.835, 184.840, 184.845, 184.847, 184.850, and 184.865, to read as follows:

99.805. As used in sections 99.800 to 99.865, unless the context clearly requires otherwise, the following terms shall mean:

- (1) "Blighted area", an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use;
- (2) "Collecting officer", the officer of the municipality responsible for receiving and processing payments in lieu of taxes or economic activity taxes from taxpayers or the department of revenue;
- (3) "Conservation area", any improved area within the boundaries of a redevelopment area located within the territorial limits of a municipality in which fifty percent or more of the

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

14 structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted
15 area but is detrimental to the public health, safety, morals, or welfare and may become a blighted
16 area because of any one or more of the following factors: dilapidation; obsolescence;
17 deterioration; illegal use of individual structures; presence of structures below minimum code
18 standards; abandonment; excessive vacancies; overcrowding of structures and community
19 facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land
20 coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of
21 community planning. A conservation area shall meet at least three of the factors provided in this
22 subdivision for projects approved on or after December 23, 1997;

23 (4) **"Disaster area", an area located within a municipality for which public and**
24 **individual assistance has been declared by the President under Section 401 of the Robert**
25 **T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. Section 5121, et seq.,**
26 **provided that the municipality adopts or has adopted an ordinance approving a**
27 **redevelopment plan within three years after the President declares such disaster;**

28 (5) "Economic activity taxes", the total additional revenue from taxes which are imposed
29 by a municipality and other taxing districts, and which are generated by economic activities
30 within a redevelopment area over the amount of such taxes generated by economic activities
31 within such redevelopment area in the calendar year prior to the adoption of the ordinance
32 designating such a redevelopment area, while tax increment financing remains in effect, but
33 excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by
34 transient guests of hotels and motels, licenses, fees or special assessments. For redevelopment
35 projects or redevelopment plans approved after December 23, 1997, if a retail establishment
36 relocates within one year from one facility to another facility within the same county and the
37 governing body of the municipality finds that the relocation is a direct beneficiary of tax
38 increment financing, then for purposes of this definition, the economic activity taxes generated
39 by the retail establishment shall equal the total additional revenues from economic activity taxes
40 which are imposed by a municipality or other taxing district over the amount of economic
41 activity taxes generated by the retail establishment in the calendar year prior to its relocation to
42 the redevelopment area;

43 [(5)] (6) "Economic development area", any area or portion of an area located within the
44 territorial limits of a municipality, which does not meet the requirements of subdivisions (1) and
45 (3) of this section, and in which the governing body of the municipality finds that redevelopment
46 will not be solely used for development of commercial businesses which unfairly compete in the
47 local economy and is in the public interest because it will:

48 (a) Discourage commerce, industry or manufacturing from moving their operations to
49 another state; or

50 (b) Result in increased employment in the municipality; or

51 (c) Result in preservation or enhancement of the tax base of the municipality;

52 [(6)] (7) "Gambling establishment", an excursion gambling boat as defined in section
53 313.800 and any related business facility including any real property improvements which are
54 directly and solely related to such business facility, whose sole purpose is to provide goods or
55 services to an excursion gambling boat and whose majority ownership interest is held by a person
56 licensed to conduct gambling games on an excursion gambling boat or licensed to operate an
57 excursion gambling boat as provided in sections 313.800 to 313.850. This subdivision shall be
58 applicable only to a redevelopment area designated by ordinance adopted after December 23,
59 1997;

60 [(7)] (8) "Greenfield area", any vacant, unimproved, or agricultural property that is
61 located wholly outside the incorporated limits of a city, town, or village, or that is substantially
62 surrounded by contiguous properties with agricultural zoning classifications or uses unless said
63 property was annexed into the incorporated limits of a city, town, or village ten years prior to the
64 adoption of the ordinance approving the redevelopment plan for such greenfield area;

65 [(8)] (9) "Municipality", a city, village, or incorporated town or any county of this state.
66 For redevelopment areas or projects approved on or after December 23, 1997, "municipality"
67 applies only to cities, villages, incorporated towns or counties established for at least one year
68 prior to such date;

69 [(9)] (10) "Obligations", bonds, loans, debentures, notes, special certificates, or other
70 evidences of indebtedness issued by a municipality to carry out a redevelopment project or to
71 refund outstanding obligations;

72 [(10)] (11) "Ordinance", an ordinance enacted by the governing body of a city, town, or
73 village or a county or an order of the governing body of a county whose governing body is not
74 authorized to enact ordinances;

75 [(11)] (12) "Payment in lieu of taxes", those estimated revenues from real property in the
76 area selected for a redevelopment project, which revenues according to the redevelopment
77 project or plan are to be used for a private use, which taxing districts would have received had
78 a municipality not adopted tax increment allocation financing, and which would result from
79 levies made after the time of the adoption of tax increment allocation financing during the time
80 the current equalized value of real property in the area selected for the redevelopment project
81 exceeds the total initial equalized value of real property in such area until the designation is
82 terminated pursuant to subsection 2 of section 99.850;

83 [(12)] (13) "Redevelopment area", an area designated by a municipality, in respect to
84 which the municipality has made a finding that there exist conditions which cause the area to be
85 classified as a blighted area, a conservation area, an economic development area, an enterprise

86 zone pursuant to sections 135.200 to 135.256, or a combination thereof, which area includes only
87 those parcels of real property directly and substantially benefitted by the proposed redevelopment
88 project;

89 [(13)] (14) "Redevelopment plan", the comprehensive program of a municipality for
90 redevelopment intended by the payment of redevelopment costs to reduce or eliminate those
91 conditions, the existence of which qualified the redevelopment area as a blighted area,
92 conservation area, economic development area, or combination thereof, and to thereby enhance
93 the tax bases of the taxing districts which extend into the redevelopment area. Each
94 redevelopment plan shall conform to the requirements of section 99.810;

95 [(14)] (15) "Redevelopment project", any development project within a redevelopment
96 area in furtherance of the objectives of the redevelopment plan; any such redevelopment project
97 shall include a legal description of the area selected for the redevelopment project;

98 [(15)] (16) "Redevelopment project costs" include the sum total of all reasonable or
99 necessary costs incurred or estimated to be incurred, and any such costs incidental to a
100 redevelopment plan or redevelopment project, as applicable. Such costs include, but are not
101 limited to, the following:

102 (a) Costs of studies, surveys, plans, and specifications;

103 (b) Professional service costs, including, but not limited to, architectural, engineering,
104 legal, marketing, financial, planning or special services. Except the reasonable costs incurred
105 by the commission established in section 99.820 for the administration of sections 99.800 to
106 99.865, such costs shall be allowed only as an initial expense which, to be recoverable, shall be
107 included in the costs of a redevelopment plan or project;

108 (c) Property assembly costs, including, but not limited to, acquisition of land and other
109 property, real or personal, or rights or interests therein, demolition of buildings, and the clearing
110 and grading of land;

111 (d) Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings
112 and fixtures;

113 (e) Initial costs for an economic development area;

114 (f) Costs of construction of public works or improvements;

115 (g) Financing costs, including, but not limited to, all necessary and incidental expenses
116 related to the issuance of obligations, and which may include payment of interest on any
117 obligations issued pursuant to sections 99.800 to 99.865 accruing during the estimated period
118 of construction of any redevelopment project for which such obligations are issued and for not
119 more than eighteen months thereafter, and including reasonable reserves related thereto;

120 (h) All or a portion of a taxing district's capital costs **and, in the case of a**
121 **redevelopment area in which a majority of the property is located in a disaster area, all or**

122 **a portion of a taxing district's operating costs and its debt service costs** resulting from the
123 redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of
124 the redevelopment plan and project, to the extent the municipality by written agreement accepts
125 and approves such costs;

126 (i) Relocation costs to the extent that a municipality determines that relocation costs shall
127 be paid or are required to be paid by federal or state law;

128 (j) Payments in lieu of taxes;

129 [(16)] **(17)** "Special allocation fund", the fund of a municipality or its commission which
130 contains at least two separate segregated accounts for each redevelopment plan, maintained by
131 the treasurer of the municipality or the treasurer of the commission into which payments in lieu
132 of taxes are deposited in one account, and economic activity taxes and other revenues are
133 deposited in the other account;

134 [(17)] **(18)** "Taxing districts", any political subdivision of this state having the power to
135 levy taxes;

136 [(18)] **(19)** "Taxing districts' capital costs", those costs of taxing districts for capital
137 improvements that are found by the municipal governing bodies to be necessary and to directly
138 result from the redevelopment project; and

139 [(19)] **(20)** "Vacant land", any parcel or combination of parcels of real property not used
140 for industrial, commercial, or residential buildings.

99.835. 1. Obligations secured by the special allocation fund set forth in sections 99.845
2 and 99.850 for the redevelopment area or redevelopment project may be issued by the
3 municipality pursuant to section 99.820 or by the tax increment financing commission to provide
4 for redevelopment costs. Such obligations, when so issued, shall be retired in the manner
5 provided in the ordinance or resolution authorizing the issuance of such obligations by the
6 receipts of payments in lieu of taxes as specified in section 99.855 and, subject to annual
7 appropriation, other tax revenue as specified in section 99.845. A municipality may, in the
8 ordinance or resolution, pledge all or any part of the funds in and to be deposited in the special
9 allocation fund created pursuant to sections 99.845 and 99.850 to the payment of the
10 redevelopment costs and obligations. Any pledge of funds in the special allocation fund may
11 provide for distribution to the taxing districts of moneys not required for payment of
12 redevelopment costs or obligations and such excess funds shall be deemed to be surplus funds,
13 except that any moneys allocated to the special allocation fund as provided in subsection 4 **or**
14 **15** of section 99.845, and which are not required for payment of redevelopment costs and
15 obligations, shall not be distributed to the taxing districts but shall be returned to the department
16 of economic development for credit to the general revenue fund. In the event a municipality only
17 pledges a portion of the funds in the special allocation fund for the payment of redevelopment

18 costs or obligations, any such funds remaining in the special allocation fund after complying with
19 the requirements of the pledge, including the retention of funds for the payment of future
20 redevelopment costs, if so required, shall also be deemed surplus funds. All surplus funds shall
21 be distributed annually to the taxing districts in the redevelopment area by being paid by the
22 municipal treasurer to the county collector who shall immediately thereafter make distribution
23 as provided in subdivision (12) of section 99.820.

24 2. Without limiting the provisions of subsection 1 of this section, the municipality may,
25 in addition to obligations secured by the special allocation fund, pledge any part or any
26 combination of net new revenues of any redevelopment project, or a mortgage on part or all of
27 the redevelopment project to secure its obligations or other redevelopment costs.

28 3. Obligations issued pursuant to sections 99.800 to 99.865 may be issued in one or more
29 series bearing interest at such rate or rates as the issuing body of the municipality shall determine
30 by ordinance or resolution. Such obligations shall bear such date or dates, mature at such time
31 or times not exceeding twenty-three years from their respective dates, when secured by the
32 special allocation fund, be in such denomination, carry such registration privileges, be executed
33 in such manner, be payable in such medium of payment at such place or places, contain such
34 covenants, terms and conditions, and be subject to redemption as such ordinance or resolution
35 shall provide. Obligations issued pursuant to sections 99.800 to 99.865 may be sold at public
36 or private sale at such price as shall be determined by the issuing body and shall state that
37 obligations issued pursuant to sections 99.800 to 99.865 are special obligations payable solely
38 from the special allocation fund or other funds specifically pledged. No referendum approval
39 of the electors shall be required as a condition to the issuance of obligations pursuant to sections
40 99.800 to 99.865.

41 4. The ordinance authorizing the issuance of obligations may provide that the obligations
42 shall contain a recital that they are issued pursuant to sections 99.800 to 99.865, which recital
43 shall be conclusive evidence of their validity and of the regularity of their issuance.

44 5. Neither the municipality, its duly authorized commission, the commissioners or the
45 officers of a municipality nor any person executing any obligation shall be personally liable for
46 such obligation by reason of the issuance thereof. The obligations issued pursuant to sections
47 99.800 to 99.865 shall not be a general obligation of the municipality, county, state of Missouri,
48 or any political subdivision thereof, nor in any event shall such obligation be payable out of any
49 funds or properties other than those specifically pledged as security therefor. The obligations
50 shall not constitute indebtedness within the meaning of any constitutional, statutory or charter
51 debt limitation or restriction.

99.845. 1. A municipality, either at the time a redevelopment project is approved or, in
2 the event a municipality has undertaken acts establishing a redevelopment plan and

3 redevelopment project and has designated a redevelopment area after the passage and approval
4 of sections 99.800 to 99.865 but prior to August 13, 1982, which acts are in conformance with
5 the procedures of sections 99.800 to 99.865, may adopt tax increment allocation financing by
6 passing an ordinance providing that after the total equalized assessed valuation of the taxable real
7 property in a redevelopment project exceeds the certified total initial equalized assessed
8 valuation of the taxable real property in the redevelopment project, the ad valorem taxes, and
9 payments in lieu of taxes, if any, arising from the levies upon taxable real property in such
10 redevelopment project by taxing districts and tax rates determined in the manner provided in
11 subsection 2 of section 99.855 each year after the effective date of the ordinance until
12 redevelopment costs have been paid shall be divided as follows:

13 (1) That portion of taxes, penalties and interest levied upon each taxable lot, block, tract,
14 or parcel of real property which is attributable to the initial equalized assessed value of each such
15 taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment
16 project shall be allocated to and, when collected, shall be paid by the county collector to the
17 respective affected taxing districts in the manner required by law in the absence of the adoption
18 of tax increment allocation financing;

19 (2) (a) Payments in lieu of taxes attributable to the increase in the current equalized
20 assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected
21 for the redevelopment project and any applicable penalty and interest over and above the initial
22 equalized assessed value of each such unit of property in the area selected for the redevelopment
23 project shall be allocated to and, when collected, shall be paid to the municipal treasurer who
24 shall deposit such payment in lieu of taxes into a special fund called the "Special Allocation
25 Fund" of the municipality for the purpose of paying redevelopment costs and obligations incurred
26 in the payment thereof. Payments in lieu of taxes which are due and owing shall constitute a lien
27 against the real estate of the redevelopment project from which they are derived and shall be
28 collected in the same manner as the real property tax, including the assessment of penalties and
29 interest where applicable. The municipality may, in the ordinance, pledge the funds in the
30 special allocation fund for the payment of such costs and obligations and provide for the
31 collection of payments in lieu of taxes, the lien of which may be foreclosed in the same manner
32 as a special assessment lien as provided in section 88.861. No part of the current equalized
33 assessed valuation of each lot, block, tract, or parcel of property in the area selected for the
34 redevelopment project attributable to any increase above the total initial equalized assessed value
35 of such properties shall be used in calculating the general state school aid formula provided for
36 in section 163.031 until such time as all redevelopment costs have been paid as provided for in
37 this section and section 99.850;

38 (b) Notwithstanding any provisions of this section to the contrary, for purposes of
39 determining the limitation on indebtedness of local government pursuant to article VI, section
40 26(b) of the Missouri Constitution, the current equalized assessed value of the property in an area
41 selected for redevelopment attributable to the increase above the total initial equalized assessed
42 valuation shall be included in the value of taxable tangible property as shown on the last
43 completed assessment for state or county purposes;

44 (c) The county assessor shall include the current assessed value of all property within
45 the taxing district in the aggregate valuation of assessed property entered upon the assessor's
46 book and verified pursuant to section 137.245, and such value shall be utilized for the purpose
47 of the debt limitation on local government pursuant to article VI, section 26(b) of the Missouri
48 Constitution;

49 (3) For purposes of this section, "levies upon taxable real property in such redevelopment
50 project by taxing districts" shall not include the blind pension fund tax levied under the authority
51 of article III, section 38(b) of the Missouri Constitution, or the merchants' and manufacturers'
52 inventory replacement tax levied under the authority of subsection 2 of section 6 of article X of
53 the Missouri Constitution, except in redevelopment project areas in which tax increment
54 financing has been adopted by ordinance pursuant to a plan approved by vote of the governing
55 body of the municipality taken after August 13, 1982, and before January 1, 1998.

56 2. In addition to the payments in lieu of taxes described in subdivision (2) of subsection
57 1 of this section, for redevelopment plans and projects adopted or redevelopment projects
58 approved by ordinance after July 12, 1990, and prior to August 31, 1991, fifty percent of the total
59 additional revenue from taxes, penalties and interest imposed by the municipality, or other taxing
60 districts, which are generated by economic activities within the area of the redevelopment project
61 over the amount of such taxes generated by economic activities within the area of the
62 redevelopment project in the calendar year prior to the adoption of the redevelopment project by
63 ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales
64 or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant
65 to section 70.500, licenses, fees or special assessments other than payments in lieu of taxes and
66 any penalty and interest thereon, or, effective January 1, 1998, taxes levied pursuant to section
67 94.660, for the purpose of public transportation, shall be allocated to, and paid by the local
68 political subdivision collecting officer to the treasurer or other designated financial officer of the
69 municipality, who shall deposit such funds in a separate segregated account within the special
70 allocation fund. Any provision of an agreement, contract or covenant entered into prior to July
71 12, 1990, between a municipality and any other political subdivision which provides for an
72 appropriation of other municipal revenues to the special allocation fund shall be and remain
73 enforceable.

74 3. In addition to the payments in lieu of taxes described in subdivision (2) of subsection
75 1 of this section, for redevelopment plans and projects adopted or redevelopment projects
76 approved by ordinance after August 31, 1991, fifty percent of the total additional revenue from
77 taxes, penalties and interest which are imposed by the municipality or other taxing districts, and
78 which are generated by economic activities within the area of the redevelopment project over the
79 amount of such taxes generated by economic activities within the area of the redevelopment
80 project in the calendar year prior to the adoption of the redevelopment project by ordinance,
81 while tax increment financing remains in effect, but excluding personal property taxes, taxes
82 imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels,
83 taxes levied pursuant to section 70.500, taxes levied for the purpose of public transportation
84 pursuant to section 94.660, licenses, fees or special assessments other than payments in lieu of
85 taxes and penalties and interest thereon, or any sales tax imposed by a county with a charter form
86 of government and with more than six hundred thousand but fewer than seven hundred thousand
87 inhabitants, for the purpose of sports stadium improvement or levied by such county under
88 section 238.410 for the purpose of the county transit authority operating transportation facilities,
89 shall be allocated to, and paid by the local political subdivision collecting officer to the treasurer
90 or other designated financial officer of the municipality, who shall deposit such funds in a
91 separate segregated account within the special allocation fund.

92 4. Beginning January 1, 1998, for redevelopment plans and projects adopted or
93 redevelopment projects approved by ordinance and which have complied with subsections 4 to
94 12 of this section, in addition to the payments in lieu of taxes and economic activity taxes
95 described in subsections 1, 2 and 3 of this section, up to fifty percent of the new state revenues,
96 as defined in subsection 8 of this section, estimated for the businesses within the project area and
97 identified by the municipality in the application required by subsection 10 of this section, over
98 and above the amount of such taxes reported by businesses within the project area as identified
99 by the municipality in their application prior to the approval of the redevelopment project by
100 ordinance, while tax increment financing remains in effect, may be available for appropriation
101 by the general assembly as provided in subsection 10 of this section to the department of
102 economic development supplemental tax increment financing fund, from the general revenue
103 fund, for distribution to the treasurer or other designated financial officer of the municipality
104 with approved plans or projects.

105 5. The treasurer or other designated financial officer of the municipality with approved
106 plans or projects shall deposit such funds in a separate segregated account within the special
107 allocation fund established pursuant to section 99.805.

108 6. No transfer from the general revenue fund to the Missouri supplemental tax increment
109 financing fund shall be made unless an appropriation is made from the general revenue fund for

110 that purpose. No municipality shall commit any state revenues prior to an appropriation being
111 made for that project. For all redevelopment plans or projects adopted or approved after
112 December 23, 1997, appropriations from the new state revenues shall not be distributed from the
113 Missouri supplemental tax increment financing fund into the special allocation fund unless the
114 municipality's redevelopment plan ensures that one hundred percent of payments in lieu of taxes
115 and fifty percent of economic activity taxes generated by the project shall be used for eligible
116 redevelopment project costs while tax increment financing remains in effect. This account shall
117 be separate from the account into which payments in lieu of taxes are deposited, and separate
118 from the account into which economic activity taxes are deposited.

119 7. In order for the redevelopment plan or project to be eligible to receive the revenue
120 described in subsection 4 of this section, the municipality shall comply with the requirements of
121 subsection 10 of this section prior to the time the project or plan is adopted or approved by
122 ordinance. The director of the department of economic development and the commissioner of
123 the office of administration may waive the requirement that the municipality's application be
124 submitted prior to the redevelopment plan's or project's adoption or the redevelopment plan's or
125 project's approval by ordinance.

126 8. For purposes of this section, "new state revenues" means:

127 (1) The incremental increase in the general revenue portion of state sales tax revenues
128 received pursuant to section 144.020, excluding sales taxes that are constitutionally dedicated,
129 taxes deposited to the school district trust fund in accordance with section 144.701, sales and use
130 taxes on motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by
131 law. In no event shall the incremental increase include any amounts attributable to retail sales
132 unless the municipality or authority has proven to the Missouri development finance board and
133 the department of economic development and such entities have made a finding that the sales
134 tax increment attributable to retail sales is from new sources which did not exist in the state
135 during the baseline year. The incremental increase in the general revenue portion of state sales
136 tax revenues for an existing or relocated facility shall be the amount that current state sales tax
137 revenue exceeds the state sales tax revenue in the base year as stated in the redevelopment plan
138 as provided in subsection 10 of this section; or

139 (2) The state income tax withheld on behalf of new employees by the employer pursuant
140 to section 143.221 at the business located within the project as identified by the municipality.
141 The state income tax withholding allowed by this section shall be the municipality's estimate of
142 the amount of state income tax withheld by the employer within the redevelopment area for new
143 employees who fill new jobs directly created by the tax increment financing project.

144 9. Subsection 4 of this section shall apply only to blighted areas located in enterprise
145 zones, pursuant to sections 135.200 to 135.256, blighted areas located in federal empowerment

146 zones, or to blighted areas located in central business districts or urban core areas of cities which
147 districts or urban core areas at the time of approval of the project by ordinance, provided that the
148 enterprise zones, federal empowerment zones or blighted areas contained one or more buildings
149 at least fifty years old; and

150 (1) Suffered from generally declining population or property taxes over the twenty-year
151 period immediately preceding the area's designation as a project area by ordinance; or

152 (2) Was a historic hotel located in a county of the first classification without a charter
153 form of government with a population according to the most recent federal decennial census in
154 excess of one hundred fifty thousand and containing a portion of a city with a population
155 according to the most recent federal decennial census in excess of three hundred fifty thousand.

156 10. The initial appropriation of up to fifty percent of the new state revenues authorized
157 pursuant to subsections 4 and 5 of this section shall not be made to or distributed by the
158 department of economic development to a municipality until all of the following conditions have
159 been satisfied:

160 (1) The director of the department of economic development or his or her designee and
161 the commissioner of the office of administration or his or her designee have approved a tax
162 increment financing application made by the municipality for the appropriation of the new state
163 revenues. The municipality shall include in the application the following items in addition to the
164 items in section 99.810:

165 (a) The tax increment financing district or redevelopment area, including the businesses
166 identified within the redevelopment area;

167 (b) The base year of state sales tax revenues or the base year of state income tax withheld
168 on behalf of existing employees, reported by existing businesses within the project area prior to
169 approval of the redevelopment project;

170 (c) The estimate of the incremental increase in the general revenue portion of state sales
171 tax revenue or the estimate for the state income tax withheld by the employer on behalf of new
172 employees expected to fill new jobs created within the redevelopment area after redevelopment;

173 (d) The official statement of any bond issue pursuant to this subsection after December
174 23, 1997;

175 (e) An affidavit that is signed by the developer or developers attesting that the provisions
176 of subdivision (1) of subsection 1 of section 99.810 have been met and specifying that the
177 redevelopment area would not be reasonably anticipated to be developed without the
178 appropriation of the new state revenues;

179 (f) The cost-benefit analysis required by section 99.810 includes a study of the fiscal
180 impact on the state of Missouri; and

- 181 (g) The statement of election between the use of the incremental increase of the general
182 revenue portion of the state sales tax revenues or the state income tax withheld by employers on
183 behalf of new employees who fill new jobs created in the redevelopment area;
- 184 (h) The name, street and mailing address, and phone number of the mayor or chief
185 executive officer of the municipality;
- 186 (i) The street address of the development site;
- 187 (j) The three-digit North American Industry Classification System number or numbers
188 characterizing the development project;
- 189 (k) The estimated development project costs;
- 190 (l) The anticipated sources of funds to pay such development project costs;
- 191 (m) Evidence of the commitments to finance such development project costs;
- 192 (n) The anticipated type and term of the sources of funds to pay such development
193 project costs;
- 194 (o) The anticipated type and terms of the obligations to be issued;
- 195 (p) The most recent equalized assessed valuation of the property within the development
196 project area;
- 197 (q) An estimate as to the equalized assessed valuation after the development project area
198 is developed in accordance with a development plan;
- 199 (r) The general land uses to apply in the development area;
- 200 (s) The total number of individuals employed in the development area, broken down by
201 full-time, part-time, and temporary positions;
- 202 (t) The total number of full-time equivalent positions in the development area;
- 203 (u) The current gross wages, state income tax withholdings, and federal income tax
204 withholdings for individuals employed in the development area;
- 205 (v) The total number of individuals employed in this state by the corporate parent of any
206 business benefitting from public expenditures in the development area, and all subsidiaries
207 thereof, as of December thirty-first of the prior fiscal year, broken down by full-time, part-time,
208 and temporary positions;
- 209 (w) The number of new jobs to be created by any business benefitting from public
210 expenditures in the development area, broken down by full-time, part-time, and temporary
211 positions;
- 212 (x) The average hourly wage to be paid to all current and new employees at the project
213 site, broken down by full-time, part-time, and temporary positions;
- 214 (y) For project sites located in a metropolitan statistical area, as defined by the federal
215 Office of Management and Budget, the average hourly wage paid to nonmanagerial employees

216 in this state for the industries involved at the project, as established by the United States Bureau
217 of Labor Statistics;

218 (z) For project sites located outside of metropolitan statistical areas, the average weekly
219 wage paid to nonmanagerial employees in the county for industries involved at the project, as
220 established by the United States Department of Commerce;

221 (aa) A list of other community and economic benefits to result from the project;

222 (bb) A list of all development subsidies that any business benefitting from public
223 expenditures in the development area has previously received for the project, and the name of
224 any other granting body from which such subsidies are sought;

225 (cc) A list of all other public investments made or to be made by this state or units of
226 local government to support infrastructure or other needs generated by the project for which the
227 funding pursuant to this section is being sought;

228 (dd) A statement as to whether the development project may reduce employment at any
229 other site, within or without the state, resulting from automation, merger, acquisition, corporate
230 restructuring, relocation, or other business activity;

231 (ee) A statement as to whether or not the project involves the relocation of work from
232 another address and if so, the number of jobs to be relocated and the address from which they
233 are to be relocated;

234 (ff) A list of competing businesses in the county containing the development area and
235 in each contiguous county;

236 (gg) A market study for the development area;

237 (hh) A certification by the chief officer of the applicant as to the accuracy of the
238 development plan;

239 (2) The methodologies used in the application for determining the base year and
240 determining the estimate of the incremental increase in the general revenue portion of the state
241 sales tax revenues or the state income tax withheld by employers on behalf of new employees
242 who fill new jobs created in the redevelopment area shall be approved by the director of the
243 department of economic development or his or her designee and the commissioner of the office
244 of administration or his or her designee. Upon approval of the application, the director of the
245 department of economic development or his or her designee and the commissioner of the office
246 of administration or his or her designee shall issue a certificate of approval. The department of
247 economic development may request the appropriation following application approval;

248 (3) The appropriation shall be either a portion of the estimate of the incremental increase
249 in the general revenue portion of state sales tax revenues in the redevelopment area or a portion
250 of the estimate of the state income tax withheld by the employer on behalf of new employees
251 who fill new jobs created in the redevelopment area as indicated in the municipality's application,

252 approved by the director of the department of economic development or his or her designee and
253 the commissioner of the office of administration or his or her designee. At no time shall the
254 annual amount of the new state revenues approved for disbursements from the Missouri
255 supplemental tax increment financing fund exceed thirty-two million dollars;

256 (4) Redevelopment plans and projects receiving new state revenues shall have a duration
257 of up to fifteen years, unless prior approval for a longer term is given by the director of the
258 department of economic development or his or her designee and the commissioner of the office
259 of administration or his or her designee; except that, in no case shall the duration exceed
260 twenty-three years.

261 11. In addition to the areas authorized in subsection 9 of this section, the funding
262 authorized pursuant to subsection 4 of this section shall also be available in a federally approved
263 levee district, where construction of a levee begins after December 23, 1997, and which is
264 contained within a county of the first classification without a charter form of government with
265 a population between fifty thousand and one hundred thousand inhabitants which contains all
266 or part of a city with a population in excess of four hundred thousand or more inhabitants.

267 12. There is hereby established within the state treasury a special fund to be known as
268 the "Missouri Supplemental Tax Increment Financing Fund", to be administered by the
269 department of economic development. The department shall annually distribute from the
270 Missouri supplemental tax increment financing fund the amount of the new state revenues as
271 appropriated as provided in the provisions of subsections 4 and 5 of this section if and only if the
272 conditions of subsection 10 of this section are met. The fund shall also consist of any gifts,
273 contributions, grants or bequests received from federal, private or other sources. Moneys in the
274 Missouri supplemental tax increment financing fund shall be disbursed per project pursuant to
275 state appropriations.

276 13. Redevelopment project costs may include, at the prerogative of the state, the portion
277 of salaries and expenses of the department of economic development and the department of
278 revenue reasonably allocable to each redevelopment project approved for disbursements from
279 the Missouri supplemental tax increment financing fund for the ongoing administrative functions
280 associated with such redevelopment project. Such amounts shall be recovered from new state
281 revenues deposited into the Missouri supplemental tax increment financing fund created under
282 this section.

283 14. For redevelopment plans or projects approved by ordinance that result in net new
284 jobs from the relocation of a national headquarters from another state to the area of the
285 redevelopment project, the economic activity taxes and new state tax revenues shall not be based
286 on a calculation of the incremental increase in taxes as compared to the base year or prior
287 calendar year for such redevelopment project, rather the incremental increase shall be the amount

of total taxes generated from the net new jobs brought in by the national headquarters from another state. In no event shall this subsection be construed to allow a redevelopment project to receive an appropriation in excess of up to fifty percent of the new state revenues.

15. Beginning December 1, 2012, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance and which have complied with subsections 15 to 25 of this section, in addition to the payments in lieu of taxes and economic activity taxes described in subsections 1, 2, and 3 of this section, the following revenues may be available for appropriation by the general assembly as provided in subsection 21 of this section to the Missouri supplemental disaster recovery fund, from the general revenue fund, for distribution to the treasurer or other designated financial officer of the municipality with an approved redevelopment plan:

(1) Up to fifty percent of the state disaster recovery revenues, as defined in subsection 19 of this section, estimated for the businesses within the redevelopment area and identified by the municipality in the application required by subsection 21 of this section, over and above the amount of such taxes reported by businesses within the redevelopment area while tax increment financing remains in effect as identified by the municipality in its application prior to the approval of the redevelopment project by ordinance; and

(2) Any additional state revenues in excess of the amount in subdivision (1) of this subsection, to the extent appropriated in accordance with subsection 23 of this section.

16. The treasurer or other designated financial officer of the municipality with an approved redevelopment plan shall deposit such funds in a separate segregated account within the special allocation fund established under section 99.805.

17. No transfer from the general revenue fund to the Missouri supplemental disaster recovery fund shall be made unless an appropriation is made from the general revenue fund for that purpose. No municipality shall commit any state revenues prior to an appropriation being made for a redevelopment plan. For all redevelopment plans adopted or approved after December 1, 2012, appropriations from the state disaster recovery revenues and any additional state revenues shall not be distributed from the Missouri supplemental disaster recovery fund into the special allocation fund unless the municipality's redevelopment plan ensures that one hundred percent of payments in lieu of taxes and fifty percent of economic activity taxes generated by the project shall be used for eligible redevelopment project costs while tax increment financing remains in effect. This account shall be separate from the account into which payments in lieu of taxes are deposited, and separate from the account into which economic activity taxes are deposited.

323 **18. In order for a redevelopment plan or a redevelopment project to be eligible to**
324 **receive the revenues described in subsection 15 of this section, the municipality shall**
325 **comply with the requirements of subsection 21 of this section.**

326 **19. For purposes of this section, "state disaster recovery revenues" means:**

327 **(1) The incremental increase in the general revenue portion of state sales tax**
328 **revenues received under section 144.020, excluding sales taxes that are constitutionally**
329 **dedicated, taxes deposited to the school district trust fund in accordance with section**
330 **144.701, sales and use taxes on motor vehicles, trailers, boats and outboard motors and**
331 **future sales taxes earmarked by law; and**

332 **(2) The state income tax withheld on behalf of new employees by an employer**
333 **pursuant to section 143.221 at a business located within the project area as identified by**
334 **the municipality. The state income tax withholding allowed by this section shall be the**
335 **municipality's estimate of the amount of state income tax withheld by the employer within**
336 **the redevelopment area for new employees who fill new jobs directly created by the**
337 **redevelopment project.**

338 **20. Subsection 15 of this section shall apply only to redevelopment areas:**

339 **(1) In which a majority of the property is located in that portion of a disaster area**
340 **directly and negatively affected by the cause for the declaration by the President for public**
341 **and individual assistance;**

342 **(2) That do not include a greenfield area; and**

343 **(3) That have seen an average reduction in the assessed value of the improvements**
344 **to the commercial, industrial, or residential real estate in the redevelopment area of at least**
345 **twenty-five percent as a direct result of the events that resulted in the disaster area**
346 **declaration.**

347 **21. The initial appropriation of state disaster recovery revenues and any additional**
348 **state revenues authorized under subsections 15 and 16 of this section shall not be made to**
349 **or distributed by the department of economic development to a municipality until all of the**
350 **following conditions have been satisfied:**

351 **(1) The director of the department of economic development or his or her designee**
352 **and the commissioner of the office of administration or his or her designee have approved**
353 **a tax increment financing application made by the municipality for the appropriation of**
354 **the state disaster recovery revenues and any additional state revenues. The municipality**
355 **shall include in the application the following items in addition to the items in section**
356 **99.810:**

357 **(a) The tax increment financing district or redevelopment area, including the**
358 **businesses identified within the redevelopment area;**

(b) The base year of state sales tax revenues and the base year of state income tax withheld on behalf of existing employees, reported by existing businesses within the project area prior to approval of the redevelopment plan;

(c) The estimate of the incremental increase in the general revenue portion of state sales tax revenue and the estimate for the incremental increase in the state income tax withheld by employers on behalf of employees filling jobs created within the redevelopment area after redevelopment;

(d) The estimate of additional state revenues being requested in excess of the amount of state disaster recovery revenues in one or more fiscal years in accordance with subsection 23 of this section;

(e) The official statement of any bond issue pursuant to this subsection after December 1, 2012;

(f) An affidavit that is signed by the developer or developers attesting that the provisions of subdivision (1) of subsection 1 of section 99.810 have been met and specifying that the redevelopment area would not be reasonably anticipated to be developed without the appropriation of new state revenues;

(g) The cost-benefit analysis required by section 99.810 includes a study of the fiscal impact on the state of Missouri;

(h) The three-digit North American Industry Classification System number or numbers characterizing the redevelopment project;

(i) The estimated redevelopment project costs;

(j) The anticipated sources of funds to pay such redevelopment project costs;

(k) Evidence of the commitments to finance such redevelopment project costs;

(l) The anticipated type and term of the sources of funds to pay such redevelopment project costs;

(m) The anticipated type and terms of the obligations to be issued;

(n) An estimate as to the equalized assessed valuation after the redevelopment area is developed in accordance with the redevelopment plan;

(o) The general land uses to apply in the redevelopment area;

(p) The total number of individuals employed in the redevelopment area, broken down by full-time, part-time, and temporary positions;

(q) The current gross wages, state income tax withholdings, and federal income tax withholdings for individuals employed in the redevelopment area;

(r) The number of new jobs to be created by any business benefiting from public expenditures in the redevelopment area, broken down by full-time, part-time, and temporary positions;

(s) The average hourly wage to be paid to all current and new employees in the redevelopment area, broken down by full-time, part-time, and temporary positions;

(t) For redevelopment areas located in a metropolitan statistical area, as defined by the Office of Management and Budget, the average hourly wage paid to nonmanagerial employees in this state for the industries involved in a redevelopment project, as established by the United States Bureau of Labor Statistics;

(u) For redevelopment areas located outside of metropolitan statistical areas, the average weekly wage paid to nonmanagerial employees in the county for industries involved in a redevelopment project, as established by the United States Department of Commerce;

(v) A list of other community and economic benefits to result from the redevelopment plan;

(w) A list of all development subsidies that any business benefiting from public expenditures in the redevelopment area has previously received for the redevelopment project, and the name of any other granting body from which such subsidies are sought;

(x) A list of all other public investments made or to be made by the federal government, this state or units of local government to support infrastructure or other needs generated by the redevelopment plan for which the funding under this section is being sought;

(y) A statement as to whether the redevelopment project may reduce employment at any other site, within or without the state, resulting from automation, merger, acquisition, corporate restructuring, relocation, or other business activity;

(z) A statement as to whether the redevelopment plan involves the relocation of work from another address and if so, the number of jobs to be relocated and the address from which they are to be relocated;

(aa) A list of competing businesses in the county containing the redevelopment area and in each contiguous county;

(bb) A market study for the redevelopment area; and

(cc) A certification by the chief officer of the applicant as to the accuracy of the redevelopment plan;

(2) The methodologies used in the application for determining the base year and the estimate of the incremental increase in the general revenue portion of the state sales tax revenues and the incremental increase in state income tax withheld by employers on behalf of employees filling jobs within the redevelopment area shall be approved by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee. Upon approval of the application, the

431 director of the department of economic development or his or her designee and the
432 commissioner of the office of administration or his or her designee shall issue a certificate
433 of approval, which shall provide for a maximum amount of state disaster recovery
434 revenues available to the municipality for the duration of each such redevelopment plan
435 as determined in accordance with subdivision (4) of this subsection. The department of
436 economic development may request the appropriation following application approval;

437 (3) The appropriation may be made from one or more of the following, as approved
438 by the director of the department of economic development or his or her designee and the
439 commissioner of the office of administration or his or her designee:

440 (a) State disaster recovery revenues; and

441 (b) Any additional amount appropriated in accordance with subsection 23 of this
442 section.

443 (4) Redevelopment plans receiving state disaster recovery revenues shall have a
444 duration of up to twenty-three years from the date on which the ordinance approving a
445 redevelopment project was approved. Any application for state disaster recovery revenues
446 must be filed and approved not later than December 31, 2015.

447 22. There is hereby established within the state treasury a special fund to be known
448 as the "Missouri Supplemental Disaster Recovery Fund", to be administered by the
449 department of economic development. The department of economic development shall
450 create a separate subaccount of the Missouri supplemental disaster recovery fund for each
451 redevelopment plan approved under subsections 15 to 21 of this section, into which the
452 state disaster recovery revenues attributable to each such redevelopment plan and any
453 additional state revenues shall be deposited at least annually. The department shall
454 annually distribute to each municipality from the corresponding subaccount of the
455 Missouri supplemental disaster recovery fund the amount of the state disaster recovery
456 revenues and any additional state revenues as appropriated to each municipality as
457 provided in subsections 15 and 16 of this section if and only if such municipality has met
458 the conditions of subsection 21 of this section. The fund shall also consist of any gifts,
459 contributions, grants or bequests received from federal, private or other sources. Moneys
460 in the Missouri supplemental disaster recovery fund shall be disbursed per project
461 pursuant to state appropriations. Any moneys remaining in the Missouri supplemental
462 disaster recovery fund at the end of any fiscal year shall not lapse to the general revenue
463 fund, as provided for in section 33.080, but shall remain in the Missouri supplemental
464 disaster recovery fund. At no time shall the annual amount of the state disaster recovery
465 revenues approved for disbursement from the Missouri supplemental disaster recovery
466 fund exceed five million dollars.

467 **23. Notwithstanding anything to the contrary in subsections 15 to 22 of this section,**
468 **an appropriation may be made for any given fiscal year of additional state revenues from**
469 **the general fund to a particular subaccount of the Missouri supplemental disaster recovery**
470 **fund in excess of the amount reflected in the certificate of approval issued pursuant to**
471 **subsection 21 of this section for that fiscal year, provided that in no case shall the aggregate**
472 **amount of all appropriations to such subaccount of the Missouri supplemental disaster**
473 **recovery fund during the period a redevelopment project is eligible to receive state disaster**
474 **recovery revenues exceed the total maximum amount provided for in the certificate of**
475 **approval issued pursuant to subsection 21 of this section. No appropriation provided**
476 **under this subsection shall be made to a subaccount of the Missouri supplemental disaster**
477 **recovery fund subsequent to the expiration of the period in which such redevelopment plan**
478 **is eligible to receive state disaster recovery revenues.**

479 **24. Redevelopment project costs may include, at the prerogative of the state, the**
480 **portion of salaries and expenses of the department of economic development and the**
481 **department of revenue reasonably allocable to each redevelopment project approved for**
482 **disbursements from the Missouri supplemental disaster recovery fund for the ongoing**
483 **administrative functions associated with such redevelopment plan. Such amounts shall be**
484 **recovered from state disaster recovery revenues deposited into the Missouri supplemental**
485 **disaster recovery fund created under this section.**

486 **25. For redevelopment projects approved by ordinance that result in net new jobs**
487 **from the relocation of a national headquarters from another state to the area of the**
488 **redevelopment project, the economic activity taxes and new state tax revenues shall not be**
489 **based on a calculation of the incremental increase in taxes as compared to the base year**
490 **or prior calendar year for such redevelopment project, rather the incremental increase**
491 **shall be the amount of total taxes generated from the net new jobs brought in by the**
492 **national headquarters from another state. In no event shall this subsection be construed**
493 **to allow a redevelopment project to receive an appropriation in excess of up to fifty percent**
494 **of state disaster recovery revenues.**

99.865. 1. Each year the governing body of the municipality, or its designee, shall
2 prepare a report concerning the status of each redevelopment plan and redevelopment project,
3 and shall submit a copy of such report to the director of the department of economic
4 development. The report shall include the following:

- 5 (1) The amount and source of revenue in the special allocation fund;
- 6 (2) The amount and purpose of expenditures from the special allocation fund;
- 7 (3) The amount of any pledge of revenues, including principal and interest on any
8 outstanding bonded indebtedness;

- 9 (4) The original assessed value of the redevelopment project;
- 10 (5) The assessed valuation added to the redevelopment project;
- 11 (6) Payments made in lieu of taxes received and expended;
- 12 (7) The economic activity taxes generated within the redevelopment area in the calendar
- 13 year prior to the approval of the redevelopment plan, to include **the following:**
- 14 (a) **For redevelopment plans adopted or redevelopment projects approved by**
- 15 **ordinance and which have complied with subsections 4 to 12 of section 99.845,** a separate
- 16 entry for the state sales tax revenue base for the redevelopment area or the state income tax
- 17 withheld by employers on behalf of existing employees in the redevelopment area prior to the
- 18 redevelopment plan; **or**
- 19 (b) **For redevelopment plans adopted or redevelopment projects approved by**
- 20 **ordinance and which have complied with subsections 15 to 23 of section 99.845,** a separate
- 21 **entry for the state sales tax revenue base for the redevelopment area and the state income**
- 22 **tax withheld by employers on behalf of existing employees in the redevelopment area prior**
- 23 **to the redevelopment plan;**
- 24 (8) The economic activity taxes generated within the redevelopment area after the
- 25 approval of the redevelopment plan, to include **the following:**
- 26 (a) **For redevelopment plans adopted or redevelopment projects approved by**
- 27 **ordinance and which have complied with subsections 4 to 12 of section 99.845,** a separate
- 28 entry for the increase in state sales tax revenues for the redevelopment area or the increase in
- 29 state income tax withheld by employers on behalf of new employees who fill new jobs created
- 30 in the redevelopment area; **or**
- 31 (b) **For redevelopment plans adopted or redevelopment projects approved by**
- 32 **ordinance and which have complied with subsections 15 to 23 of section 99.845,** a separate
- 33 **entry for the increase in state sales tax revenues for the redevelopment area and the**
- 34 **increase in state income tax withheld by employers on behalf of employees filling jobs**
- 35 **within the redevelopment area and a separate entry for any additional state revenues**
- 36 **received in accordance with subsection 23 of section 99.845;**
- 37 (9) Reports on contracts made incident to the implementation and furtherance of a
- 38 redevelopment plan or project;
- 39 (10) A copy of any redevelopment plan, which shall include the required findings and
- 40 cost-benefit analysis pursuant to subdivisions (1) to (6) **of subsection 1** of section 99.810;
- 41 (11) The cost of any property acquired, disposed of, rehabilitated, reconstructed, repaired
- 42 or remodeled;
- 43 (12) The number of parcels acquired by or through initiation of eminent domain
- 44 proceedings; and

45 (13) Any additional information the municipality deems necessary.

46 2. Data contained in the report mandated pursuant to the provisions of subsection 1 of
47 this section and any information regarding amounts disbursed to municipalities pursuant to the
48 provisions of section 99.845 shall be deemed a public record, as defined in section 610.010. An
49 annual statement showing the payments made in lieu of taxes received and expended in that year,
50 the status of the redevelopment plan and projects therein, amount of outstanding bonded
51 indebtedness and any additional information the municipality deems necessary shall be published
52 in a newspaper of general circulation in the municipality.

53 3. Five years after the establishment of a redevelopment plan and every five years
54 thereafter the governing body shall hold a public hearing regarding those redevelopment plans
55 and projects created pursuant to sections 99.800 to 99.865. The purpose of the hearing shall be
56 to determine if the redevelopment project is making satisfactory progress under the proposed
57 time schedule contained within the approved plans for completion of such projects. Notice of
58 such public hearing shall be given in a newspaper of general circulation in the area served by the
59 commission once each week for four weeks immediately prior to the hearing.

60 4. The director of the department of economic development shall submit a report to the
61 state auditor, the speaker of the house of representatives, and the president pro tem of the senate
62 no later than February first of each year. The report shall contain a summary of all information
63 received by the director pursuant to this section.

64 5. For the purpose of coordinating all tax increment financing projects using new state
65 revenues **or state disaster recovery revenues**, the director of the department of economic
66 development may promulgate rules and regulations to ensure compliance with this section. Such
67 rules and regulations may include methods for enumerating all of the municipalities which have
68 established commissions pursuant to section 99.820. No rule or portion of a rule promulgated
69 under the authority of sections 99.800 to 99.865 shall become effective unless it has been
70 promulgated pursuant to the provisions of chapter 536. All rulemaking authority delegated prior
71 to June 27, 1997, is of no force and effect and repealed; however, nothing in this section shall
72 be interpreted to repeal or affect the validity of any rule filed or adopted prior to June 27, 1997,
73 if such rule complied with the provisions of chapter 536. The provisions of this section and
74 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
75 to chapter 536, including the ability to review, to delay the effective date, or to disapprove and
76 annul a rule or portion of a rule, are subsequently held unconstitutional, then the purported grant
77 of rulemaking authority and any rule so proposed and contained in the order of rulemaking shall
78 be invalid and void.

79 6. The department of economic development shall provide information and technical
80 assistance, as requested by any municipality, on the requirements of sections 99.800 to 99.865.

81 Such information and technical assistance shall be provided in the form of a manual, written in
82 an easy-to-follow manner, and through consultations with departmental staff.

83 7. Any municipality which fails to comply with the reporting requirements provided in
84 this section shall be prohibited from implementing any new tax increment finance project for a
85 period of no less than five years from such municipality's failure to comply.

86 8. Based upon the information provided in the reports required under the provisions of
87 this section, the state auditor shall make available for public inspection on the auditor's website,
88 a searchable electronic database of such municipal tax increment finance reports. All
89 information contained within such database shall be maintained for a period of no less than ten
90 years from initial posting.

184.800. Sections 184.800 to 184.880 shall be known as the "Missouri Museum **and**
2 **Cultural** District Act".

184.805. 1. As used in sections 184.800 to 184.880, the following terms mean:

2 (1) "Board", the board of directors of a district;

3 (2) **"Cultural asset", a building or area used for the purposes of promoting**
4 **community culture and the arts, recreation and knowledge, including for purposes of**
5 **supporting or promoting the performing arts, theater, music, entertainment, public spaces,**
6 **public libraries or other public assets;**

7 (3) **"Disaster area", an area located within a municipality for which public and**
8 **individual assistance has been declared by the President under Section 401 of the Robert**
9 **T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. Section 5121, et seq.,**
10 **provided that the municipality adopts or has adopted an ordinance approving a**
11 **redevelopment plan within three years after the President declares such disaster;**

12 (4) "District", a museum **and cultural** district organized pursuant to sections 184.800
13 to 184.880;

14 [(3)] (5) "Museum", a building or area used for the purpose of exhibiting and/or
15 preserving objects or specimens of interest to the public, including but not limited to
16 **photographs, art, historical items, items** of natural history, and items connected with wildlife
17 [and] , conservation, **and historical events;**

18 [(4)] (6) "Owner of real property", the owner of the fee interest in the real property[,
19 except that when the real property is subject to a lease of ten or more years, the lessee rather than
20 the owner of the fee interest shall be considered as the "owner of real property"]. An owner may
21 be either a natural person or a [juridical] **legal** entity.

22 2. For the purposes of sections 11(c), 16 and 22 of article X of the Constitution of
23 Missouri, section 137.073, and as used in sections 184.800 to 184.880, the following terms shall
24 have the meanings given:

- 25 (1) "Approval of the required majority" [or "direct voter approval"], a simple majority;
26 (2) "Qualified voters", the owners of real property located within the proposed district
27 [or any person residing in the district who is a legal voter within the district].

184.810. 1. A district **where the majority of the property is located within a disaster area** may be created to fund, promote, plan, design, construct, improve, maintain and operate one or more projects relating to [a museum] **one or more museums and cultural assets** or to assist in such activity.

2 2. A district is a political subdivision of the state.

3 3. No structures operated by a museum **and cultural** district board pursuant to sections
4 184.800 to 184.880 shall be named for a commercial venture.

184.815. 1. Whenever the creation of a district is desired, the owners of real property who own at least two-thirds of the real property within the proposed district may file a petition requesting the creation of a district. The petition shall be filed in the circuit court of the county in which the proposed district is located. Any petition to create a museum **and cultural** district pursuant to the provisions of sections 184.800 to 184.880 shall be filed [on or before December 31, 1998] **within five years after the Presidential declaration establishing the disaster area.**

2 2. The proposed district area [shall be contiguous and] may contain **one or more parcels of real property, which may or may not be contiguous and may further include** any portion of one or more municipalities.

3 3. The petition shall set forth:

4 (1) The name and address of each owner of real property located within the proposed district [or who is a legal voter resident within the proposed district];

5 (2) A specific description of the proposed district boundaries including a map illustrating such boundaries;

6 (3) A general description of the purpose or purposes for which the district is being formed, including a description of the proposed museum or museums **and cultural asset or cultural assets** and a general plan for [its] operation **of each museum and each cultural asset within the district;** and

7 (4) The name of the proposed district.

4. In the event any owner of real property within the proposed district who is named in the petition [or any legal voter resident within the district] shall not join in the petition or file an entry of appearance and waiver of service of process in the case, a copy of the petition shall be served upon said owner [or legal voter] in the manner provided by supreme court rule for the service of petitions generally. Any objections to the petition shall be raised by answer within the time provided by supreme court rule for the filing of an answer to a petition.

184.820. 1. Any owner of real property within the proposed district [and any legal voter
2 who is a resident within the proposed district] may join in or file a petition supporting or answer
3 opposing the creation of the district and seeking a judgment respecting these same issues.

4 2. The court shall hear the case without a jury. If the court determines the petition is
5 defective or the proposed district or its plan of operation is unconstitutional, it shall enter its
6 judgment to that effect and shall refuse to incorporate the district as requested in the pleadings.
7 If the court determines the petition is not legally defective and the proposed district and plan of
8 operation are not unconstitutional, the court shall determine and declare the district organized
9 and incorporated and shall approve the plan of operation stated in the petition.

10 3. Any party having filed a petition or answer to a petition may appeal the circuit court's
11 order or judgment in the same manner as provided for other appeals. Any order either refusing
12 to incorporate the district or incorporating the district shall be deemed a final judgment for
13 purposes of appeal.

184.827. A museum **and cultural** district created pursuant to sections 184.800 to
2 184.880 shall be governed by a board of directors consisting of [eight] **five** members[. Five of
3 the members] **who** shall be elected as provided in section 184.830. [Three members of the board
4 of directors shall be appointed by the governor with the advice and consent of the senate for a
5 three-year term. Not more than two of the three members appointed by the governor shall be of
6 the same political party. The governor shall appoint an interim director to complete the
7 unexpired term of a director caused by resignation or disqualification who was appointed by the
8 governor.]

184.830. 1. Within thirty days after the order declaring the district organized has become
2 final, the circuit clerk of the county in which the petition was filed shall, give notice by causing
3 publication to be made once a week for two consecutive weeks in a newspaper of general
4 circulation in the county, the last publication of which shall be at least ten days before the day
5 of the meeting required by this section, call a meeting of the owners of real property within the
6 district at a day and hour specified in a public place in the county in which the petition was filed
7 for the purpose of electing a board of five directors, to be composed of owners or representatives
8 of owners of real property in the district.

9 2. The owners of real property, when assembled, shall organize by the election of a
10 chairman and secretary of the meeting who shall conduct the election. At the election, each acre
11 of real property within the district shall be considered as a voting interest, and each owner of real
12 property shall have one vote in person or by proxy for every acre of real property owned within
13 the district for each director to be elected. A director need not be a legal voter of the district.

14 3. Each director shall serve for a term of three years and until his **or her** successor is
15 duly elected and qualified. Successor directors shall be elected in the same manner as the initial

16 directors at a meeting of the owners of real property called by the board. Each successor director
17 shall serve a three-year term. The remaining directors shall have the authority to elect an interim
18 director to complete any unexpired term of a director caused by resignation or disqualification.

19 4. Directors shall be at least twenty-one years of age.

184.835. 1. The board shall possess and exercise all of the district's legislative and
2 executive powers.

3 2. Within thirty days after the election of the initial directors, the board shall meet. At
4 its first meeting and after each election of new board members the board shall elect a chairman,
5 a secretary, a treasurer and such other officers as it deems necessary from its members. A
6 director may fill more than one office, except that a director may not fill both the office of
7 chairman and secretary.

8 3. [The board may employ such employees as it deems necessary; provided, however,
9 that the board shall not employ any employee who is related within the fourth degree by blood
10 or marriage to a member of the board.

11 4.] At the first meeting, the board, by resolution, shall define the first and subsequent
12 fiscal years of the district, and shall adopt a corporate seal.

13 [5.] 4. A simple majority of the board shall constitute a quorum. If a quorum exists, a
14 **simple** majority of those voting shall have the authority to act in the name of the board, and
15 approve any board resolution.

16 [6.] 5. Each director shall devote such time to the duties of the office as the faithful
17 discharge thereof may require and may be reimbursed for his or her actual expenditures in the
18 performance of his or her duties on behalf of the district.

184.840. 1. A district may receive and use funds for the purposes of planning, designing,
2 constructing, reconstructing, maintaining and operating [a museum] **one or more museums and**
3 **cultural assets**, conducting educational programs in connection therewith [for any public
4 purpose] which is reasonably connected with the museum **or cultural asset** and for any other
5 purposes authorized by sections 184.840 to 184.880. Such funds may be derived from any
6 funding method which is authorized by sections 184.800 to 184.880 and from any other source,
7 including but not limited to funds from federal sources, the state of Missouri or an agency
8 thereof, a political subdivision of the state or private sources.

9 2. The general assembly may annually for a period of twenty years after [July 7, 1997]
10 **January 1, 2013**, make appropriations from general revenue to a district which is created
11 pursuant to the provisions of sections 184.800 to 184.880.

184.845. 1. The board of the district may impose a museum **and cultural** district sales
2 tax by resolution on all retail sales made in such museum **and cultural** district which are subject
3 to taxation pursuant to the provisions of sections 144.010 to 144.525. Such museum **and**

4 **cultural** district sales tax may be imposed for any museum **or cultural** purpose designated by
5 the board of the museum **and cultural** district. If the resolution is adopted the board of the
6 district may submit the question of whether to impose a sales tax authorized by this section to
7 [either the legal voters of the district and/or to the owners of real property within the district] **the**
8 **qualified voters**, who shall have the same voting interests as with the election of members of
9 the board of the district.

10 2. The sales tax authorized by this section shall become effective on the first day of the
11 second calendar quarter following adoption of the tax by the **board or qualified voters, if the**
12 **board elects to submit the question of whether to impose a sales tax to the** qualified voters.

13 3. In each museum **and cultural** district in which a sales tax has been imposed in the
14 manner provided by this section, every retailer shall add the tax imposed by the museum **and**
15 **cultural** district pursuant to this section to the retailer's sale price, and when so added such tax
16 shall constitute a part of the price, shall be a debt of the purchaser to the retailer until paid, and
17 shall be recoverable at law in the same manner as the purchase price.

18 4. In order to permit sellers required to collect and report the sales tax authorized by this
19 section to collect the amount required to be reported and remitted, but not to change the
20 requirements of reporting or remitting tax or to serve as a levy of the tax, and in order to avoid
21 fractions of pennies, the museum **and cultural** district may establish appropriate brackets which
22 shall be used in the district imposing a tax pursuant to this section in lieu of those brackets
23 provided in section [144.825] **144.285**.

24 5. All revenue received by a museum **and cultural** district from the tax authorized by
25 this section which has been designated for a certain museum **or cultural** purpose shall be
26 deposited in a special trust fund and shall be used solely for such designated purpose. All funds
27 remaining in the special trust fund shall continue to be used solely for such designated museum
28 **or cultural** purpose. Any funds in such special trust fund which are not needed for current
29 expenditures may be invested by the board of directors in accordance with applicable laws
30 relating to the investment of other museum **or cultural** district funds.

31 6. The sales tax may be imposed at a rate of one-half of one percent, three-fourths of one
32 percent or one percent on the receipts from the sale at retail of all tangible personal property or
33 taxable services at retail within the museum **and cultural** district adopting such tax, if such
34 property and services are subject to taxation by the state of Missouri pursuant to the provisions
35 of sections 144.010 to 144.525. Any museum **and cultural** district sales tax imposed pursuant
36 to this section shall be imposed at a rate that shall be uniform throughout the district.

37 7. On and after the effective date of any tax imposed pursuant to this section, the
38 museum **and cultural** district shall perform all functions incident to the administration,
39 collection, enforcement, and operation of the tax. The tax imposed pursuant to this section shall

40 be collected and reported upon such forms and under such administrative rules and regulations
41 as may be prescribed by the museum **and cultural** district.

42 8. All applicable provisions contained in sections 144.010 to 144.525 governing the state
43 sales tax, sections 32.085 and 32.087, and section 32.057, the uniform confidentiality provision,
44 shall apply to the collection of the tax imposed by this section, except as modified in this section.

45 9. All exemptions granted to agencies of government, organizations, persons and to the
46 sale of certain articles and items of tangible personal property and taxable services pursuant to
47 the provisions of sections 144.010 to 144.525 are hereby made applicable to the imposition and
48 collection of the tax imposed by this section.

49 10. The same sales tax permit, exemption certificate and retail certificate required by
50 sections 144.010 to 144.525 for the administration and collection of the state sales tax shall
51 satisfy the requirements of this section, and no additional permit or exemption certificate or retail
52 certificate shall be required; except that the museum **and cultural** district may prescribe a form
53 of exemption certificate for an exemption from the tax imposed by this section.

54 11. The penalties provided in section 32.057 and sections 144.010 to 144.525 for
55 violation of those sections are hereby made applicable to violations of this section.

56 12. For the purpose of a sales tax imposed by a resolution pursuant to this section, all
57 retail sales except retail sales of motor vehicles shall be deemed to be consummated at the place
58 of business of the retailer unless the tangible personal property sold is delivered by the retailer
59 or the retailer's agent to an out-of-state destination or to a common carrier for delivery to an
60 out-of-state destination. In the event a retailer has more than one place of business in this state
61 which participates in the sale, the sale shall be deemed to be consummated at the place of
62 business of the retailer where the initial order for the tangible personal property is taken, even
63 though the order shall be forwarded elsewhere for acceptance, approval of credit, shipment or
64 billing. A sale by a retailer's employee shall be deemed to be consummated at the place of
65 business from which the employee works.

66 13. All sales taxes collected by the museum **and cultural** district shall be deposited by
67 the museum **and cultural** district in a special fund to be expended for the purposes authorized
68 in this section. The museum **and cultural** district shall keep accurate records of the amount of
69 money which was collected pursuant to this section, and the records shall be open to the
70 inspection by the officers and directors of each museum **and cultural** district and the Missouri
71 department of revenue. Tax returns filed by businesses within the district shall otherwise be
72 considered as confidential in the same manner as sales tax returns filed with the Missouri
73 department of revenue.

74 14. No museum **and cultural** district imposing a sales tax pursuant to this section may
75 repeal or amend such sales tax unless such repeal or amendment will not impair the district's

76 ability to repay any liabilities which it has incurred, money which it has borrowed or revenue
77 bonds, notes or other obligations which it has issued or which have been issued to finance any
78 project or projects.

184.847. 1. The board of a district may impose an admissions fee on every person,
2 firm, association, company or partnership of whatever form offering or managing any
3 form of entertainment, amusement, athletic or other commercial or nonprofit event or
4 venue for which admission is charged and which is presented within the district. The fee
5 shall be at a rate of no more than one dollar per seat or admission sold. This fee is in
6 addition to any state or local tax. Such admission fee may be imposed for any museum and
7 cultural purpose designated by the board of the museum and cultural district. If the
8 resolution is adopted, the board of the district may submit the question of whether to
9 impose such admission fee authorized by this section to the qualified voters, who shall have
10 the same voting interests as with the election of members of the board of the district. The
11 question shall specify the particular types of events or venues that shall be subject to such
12 admission fee.

13 2. The admission fee authorized by this section shall become effective on the first
14 day of the second calendar quarter following the adoption of the admission fee by the
15 qualified voters.

16 3. All revenue received by a museum and cultural district from the admission fee
17 authorized by this section shall be deposited in a special trust fund and shall be used solely
18 for such designated purpose. All funds remaining in the special trust fund shall continue
19 to be used solely for such designated museum or cultural purpose. Any funds in such
20 special trust fund which are not needed for current expenditures may be invested by the
21 board of directors in accordance with applicable laws relating to the investment of other
22 museum and cultural district funds.

23 4. On and after the effective date of any admission fee imposed pursuant to this
24 section, the museum and cultural district shall perform all functions incident to the
25 administration, collection, enforcement, and operation of the admission fee. The admission
26 fee imposed pursuant to this section shall be collected and reported upon such forms and
27 under such administrative rules and regulations as may be prescribed by the museum and
28 cultural district.

184.850. 1. A district may contract and incur obligations appropriate to accomplish its
2 purposes.

3 2. A district may enter into any lease or lease-purchase agreement for or with respect to
4 any real or personal property necessary or convenient for its purposes.

5 3. A district may enter into operating agreements and/or management agreements [with
6 not-for-profit corporations] to operate [the] **a museum or cultural asset** or carry out any other
7 authorized purposes or functions of the district.

8 4. A district may borrow money for its purposes at such rates of interest as the district
9 may determine.

10 5. A district may issue bonds, notes and other obligations, and may secure any of such
11 obligations by mortgage, pledge, assignment, security agreement or deed of trust of any or all of
12 the property and income of the district, subject to the restrictions provided in sections 184.800
13 to 184.880. The district shall also have the power and authority to secure financing on the
14 issuance of bonds for financing through another political subdivision or an agency of the state.

15 6. A district may enter into labor agreements, establish all bid conditions, decide all
16 contract awards, pay all contractors and generally supervise the construction of [the] **a museum**
17 **or cultural asset** project.

18 **7. A district may hire employees, enter leases and contracts and otherwise take such**
19 **actions and enter into such agreements as are necessary or incidental to the ownership,**
20 **operation, and maintenance of each museum and each cultural asset within the district.**

184.865. The district may contract with a federal agency, a state or its agencies and
2 political subdivisions, a corporation, partnership **or limited partnership, limited liability**
3 **company**, or individual regarding funding, promotion, planning, designing, constructing,
4 improving, maintaining, or operating [a project] **any museum or cultural asset within the**
5 **district** or to assist in such activity[; provided, however, that any contract providing for the
6 overall management and operation of the museum for the district shall only be with a
7 governmental entity or a not-for-profit corporation].

Section B. Because immediate action is necessary to provide tax relief as the result of
2 the recent natural disasters in this state, this act is deemed necessary for the immediate
3 preservation of the public health, welfare, peace, and safety, and is hereby declared to be an
4 emergency act within the meaning of the constitution, and this act shall be in full force and effect
5 upon its passage and approval.

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